



USFR MEMORANDUM NO. 213

TO: School District Administrators; County School Superintendents

FROM: Magdalene D. Haggerty, Office of the Auditor General
Vicki G. Salazar, Arizona Department of Education

DATE: June 20, 2005

SUBJECT: Increased Sealed Bid Threshold (Supersedes USFR Memorandum No. 209)

As required by Arizona Revised Statutes §15-213, the Arizona State Board of Education has increased the \$32,899 competitive sealed bid threshold by the annual percentage change in the GDP price deflator. Therefore, effective for fiscal year 2005-06, districts must follow the School District Procurement Rules for purchases exceeding \$33,689.

In accordance with the *Uniform System of Financial Records*, for purchases costing at least \$15,000, but not more than the competitive sealed bid threshold (now \$33,689), districts should continue to obtain written price quotations from at least three vendors. For purchases costing at least \$5,000, but less than \$15,000, districts should continue to obtain oral price quotations from at least three vendors.

If you have any questions or need assistance, please call the Office of the Auditor General, Accounting Services Division at (602) 553-0333, or the Arizona Department of Education, School Finance Operations Unit at (602) 542-5695.

MDH/VGS/lm